

CDM-EB70-AA-A20

Draft Tool

Sustainable development co-benefits description for CDM project activities and programmes of activities

Version 03.0

DRAFT



United Nations
Framework Convention on
Climate Change

COVER NOTE

1. Procedural background

1. The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP), at its seventh session, requested the Executive Board of the clean development mechanism (hereinafter referred to as the Board) to “*continue its work and develop appropriate voluntary measures to highlight the co-benefits brought about by clean development mechanism (CDM) project activities and programmes of activities (PoAs), while maintaining the prerogative of the Parties to define their sustainable development criteria.*”¹
2. Following its consideration of a concept note at its sixty-seventh meeting, the Board requested the secretariat to develop a voluntary tool for consideration by the Board at its sixty-eighth meeting.
3. At its sixty-eighth meeting, the Board considered a first draft of the voluntary sustainable development description tool for CDM project activities and PoAs (SD tool) (available at <https://www.research.net/s/SD_tool_vers6>) and provided guidance to the secretariat to develop a further draft, including confirmation that the SD tool should be provided in both an online and paper format. At the request of the Board, the secretariat also launched a public call for inputs from 23 July 2012 to 10 August 2012.
4. At its sixty-ninth meeting, the Board considered a second draft of the SD tool and provided the following further guidance to the secretariat to revise the SD tool for consideration by the Board at this meeting:
 - (a) Simplify the tool focusing on step 1 (About/Introduction), step 2 (Sustainable development co-benefits) and question 45;
 - (b) Include text from decision 8/CMP.7, paragraph 5 in the “About” section, and relocate that section to the first page;
 - (c) Amend the title of the SD tool to accurately reflect the CMP mandate;
 - (d) Emphasize the positive aspects of the co-benefits described in the draft SD tool.
5. The revised draft SD tool incorporating the Board’s guidance can be found at <https://www.research.net/s/SD_tool_vers7>. For ease of review by the Board, a print version of the online tool and an example of a possible layout of the report produced by the SD tool are attached to this cover note as appendix 1 and 2, respectively.

2. Purpose

6. The purpose of the SD tool is to provide a means by which **project participants** and **coordinating/managing entities** (CMEs) can readily highlight to all stakeholders,

¹ Paragraph 5 of decision 8/CMP.7.

including the Board, sustainable development co-benefits of CDM project activities and PoAs in a way that:

- (a) Improves the Board's ability to demonstrate that, as per Article 12 of the Kyoto Protocol, the CDM assists non-Annex I Parties in achieving sustainable development;
- (b) Harmonizes and makes publicly available the information relating to sustainable development co-benefits in the context of the CDM;
- (c) Maintains the Parties' prerogative to determine whether a CDM project activity or PoA assists in achieving sustainable development (or to define their criteria for sustainable development).

3. Key issues and proposed solutions

- 7. Issues raised by the Board in relation to ensuring simplicity and highlighting positive sustainable development co-benefits of CDM project activities and PoAs have been addressed in the revised draft SD tool, in particular by removing two steps – the “no harm” indicators and stakeholder interaction, and including a “further information” question where project participants and CMEs can highlight co-benefits that are not otherwise covered by the SD tool.

4. Impacts

- 8. When used, the SD tool will:
 - (a) Improve the current approach available to project participants and CMEs for describing sustainable development co-benefits of CDM project activities and PoAs within CDM project design documents (PDD) or PoA design documents (PoA-DD), based on sound qualitative and quantitative criteria for such descriptions;
 - (b) Deliver comparable and structured information about any sustainable development co-benefits attributable to CDM project activities and PoAs, in a manner that is consistent across all types of CDM project activities and PoAs for use by all stakeholders in the CDM, including the Board;
 - (c) Provide a means to report on the aggregated performance of sustainable development co-benefits for various types of CDM project activities and PoAs in various host countries over time for use by the Board and other stakeholders.
- 9. The SD tool does not impact on the Parties' prerogative to determine whether a CDM project activity or PoA assists in achieving sustainable development (or to define their criteria for sustainable development).
- 10. Project participants' transaction costs are not expected to increase as a result of using the SD tool.

5. Proposed work and timelines

11. If approved, the SD tool will be prioritized for development and delivery within the SDM-IS.² A paper-based version of the SD tool will be delivered in conjunction with the online version.
12. In order to integrate the SD tool within existing CDM documents and workflows, amendments are required to the various PDD and PoA-DD forms and the associated guidelines for completing the forms. This is because, if approved, the SD tool will be available to project participants and CMEs as an alternative to the current “free-form” sustainable development description section in design documents, i.e. section A1 of the PDD and section A2 in the PoA-DD.
13. However, amendments to these documents are dependent on the delivery of the SD tool within the SDM-IS. Therefore, amendments to the documents will be coordinated with the delivery of the SD tool within the SDM-IS.

6. Recommendations to the Board

14. The secretariat recommends that the Board:
 - (a) Approve the draft SD tool; and
 - (b) Take note of the proposed work for implementing the SD tool.

² The SDM-IS is a new computer system to support the CDM and joint implementation mechanisms based on a common secretariat platform. The SDM-IS is in the process of being implemented.

Appendix 1. Print version of SD tool

Sustainable Development Tool – version 0.7

Introduction

Language

1. لىرجاء اختييار لىغة, 请选择语言, **Please choose a language, Veuillez choisir une langue, Пожалуйста, выберите язык, Per favor, seleccione un idioma ...**

- ☐ Arabic (العربية)
☐ Chinese (中国)
☐ English
☐ French (Français)
☐ Russian (русский)
☐ Spanish (Español)

About

The CDM sustainable development tool ("SD tool") is made available to CDM project participants and coordinating / managing entities to aid in the description of sustainable benefits and impacts of a CDM project activity or programme of activities ("activity").

The use of the SD tool is entirely voluntary. It has been developed in response to paragraph 5 of decision 8/CMP.7, in which the CMP requested the CDM Executive Board to "develop appropriate voluntary measures to highlight the co-benefits brought about by CDM project activities and PoAs, while maintaining the prerogative of the Parties to define their sustainable development criteria".

The SD tool is maintained by the UNFCCC secretariat as mandated by the CDM Executive Board (\$XX EBXX). The SD tool can be used at any time in the life of a CDM activity also to update the description should co-benefits change.

The SD tool can be used for each single activity only. The SD tool produces a sustainable development description report. This report and any previous description reports will be made available on the CDM website for the activity chosen.

The SD tool requires the person(s) filling out the questions to identify themselves. For further information on how to use the tool and what is expected for each section, including the terms of use and disclaimer please consult the SD tool manual, which can be found at <<http://cdm.unfccc.int/Reference/index.html>>.

Any feedback or questions can be sent to:

Subject: "SD tool"
 UNFCCC Secretariat
 Email: cdminfo@unfccc.int

S1 S2

S3

There are three steps in completing a description of sustainable development co-benefits using the SD tool

Step		Section
1	Introduction	Select a language, activity name and type, the action required (create, amend or withdraw a description)
2	Sustainable development co-benefits	Describe the level of sustainable development co-benefit of the activity for 12 environment, social & economic criteria
3	Contact information & submission	Enter person contact information, confirm M.O.C. membership and submit the description to the UNFCCC, which is then made available on the CDM website (i.e. on the relevant project or programme activity page)

Introduction

Step 1

Select an activity and action

2. For which type of activity would you like to make, replace or withdraw a SD description?

- ☐ Reforestation / Afforestation project activity
- ☐ Reforestation / Afforestation programme of activities
- ☐ Programme of activities
- ☐ Project activity (i.e. none of the above)

3. Please select a SINGLE activity:

Use the drop down list below for activities which have already been assigned UNFCCC CDM Reference Number (as listed on www.cdm.unfccc.int):

Ref.

For activities at the design stage (i.e. without a Reference number) please select "Not found" above and write the title of the project here

4. Please select the preferred action?

- ☐ Make the first SD description for the above listed activity
- ☐ Replace the existing SD description for the above listed activity
- ☐ Withdraw all existing SD descriptions for the above listed activity
- ☐ Withdraw only the last (i.e. latest) SD description for the above listed activity

Withdrawal of SD description

5. Please confirm. Once confirmed you will be asked to identify yourself.

- ☐ I confirm the withdrawal



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Environment – Air

Step 2

6. Does the activity improve air quality in the area?

The activity improves air quality by reducing air pollutants such as SO_x (sulphur oxides), NO_x (nitrous oxides), Suspended Particulate Matter (SPM) emissions, Non Methane Volatile Organic Compounds (NMVOCs), fly ash, noise, odour or dust.

Reductions in greenhouse gasses are not included, as this defines all CDM projects.

Avoided indoor smoke is identified can be declared under "Social health and safety" section.

- ☐ Yes (and I wish to specify)
- ☐ No (the activity has no direct impact)
- ☐ N/A (the question is not relevant)

Environment – Air – specific indicators

7. How and to what extent does the activity improve air quality in the area?

Reducing level/frequency/time of SO_x
(sulphur oxides) emissions?

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Reducing level/frequency/time of NO_x
(nitrous oxides) emissions?

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Reducing level/frequency/time of fly ash emissions?

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify



Environment – Air – specific indicators

Step 2

Reducing level/frequency/time of SPM
(Suspended Particulate Matter) emissions?

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Reducing level/frequency/time of NMVOCs
(Non Methane Volatile Organic Compounds)?

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Reducing level/frequency/time of noise?

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Reducing level/frequency/time of odours?

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Reducing level/frequency/time of dust?

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Other air based improvements?

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify



Environment - Land

Step 2

8. Does the activity improve soil quality, avoid soil pollution or waste disposal?

The activity can improve the soil quality and/or avoid polluting the soil, waste disposal through the production and use of e.g. compost, manure nutrient and other fertilizers.

- ☐ Yes (and I wish to specify)
- ☐ No (the activity has no direct impact)
- ☐ N/A (the question is not relevant)

Environment - Land - specific indicators

9. How and to what extent does the activity improve soil quality, avoid soil pollution, waste disposal?

Prevention of pollution from end-of-life products/equipment (solid waste)?

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Production/use of compost?

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Production/use of manure, mineral fertilizer or other soil nutrients?

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Use of irrigation?

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify



Environment - Land - specific indicators

Step 2

Use of measures to prevent soil erosion?

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Practice minimum tillage?

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Other means to improve land quality?

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Environment - Water

10. Does the activity improve water in the area?

The activity improves the quality of water and access to water through e.g. wastewater management, water savings, safe and reliable water distribution, purification/sterilization and cleaning of water etc.

- ☐ Yes (and I wish to specify)
- ☐ No (the activity has no direct impact)
- ☐ N/A (the question is not relevant)



Environment – Water – specific indicators

Step 2

11. How and to what extent does the activity improve water in the area?Improved management and or control of wastewater? ☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Saving and/or conservation of water? ☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Reliable and accessible water supply through improved or new distribution? ☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Safe potable water through purification or a cleaner supply? ☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Improved ecological state of water bodies ☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Other means to improve water? ☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify



Environment – Natural resources

Step 2

12. Does the activity protect or enhance depletable natural resources?

The activity protects or enhances depletable natural resources and landscapes such as minerals, plants, animals, forests and their diversity.

- ☐ Yes (and I wish to specify)
- ☐ No (the activity has no direct impact)
- ☐ N/A (the question is not relevant)

Environment – Natural resources – specific indicators

13. How and to what extent does the activity protect or enhance depletable natural resources?

Mineral resources ☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Plant life (e.g. plant habitats) ☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Species diversity (e.g. animals, insects, birds) ☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Forests ☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify



Environment - Natural resources - specific indicators

Step 2

Other depletable natural resources (enhanced/protected)

☐ Highly☐ Partly☐ Slightly☐ N/A

Please specify

Social - Jobs

14. Does the activity create new jobs?

The activity creates new job opportunities including income generation.

☐ Yes (and I wish to specify)☐ No (the activity has no direct impact)☐ N/A (the question is not relevant)

Social - Job - specific indicators

15. How and to what extent does the activity create new employment?

New long-term jobs (> 1 year)

☐ Highly☐ Partly☐ Slightly☐ N/A

Please specify

New short-term jobs (< 1 year)

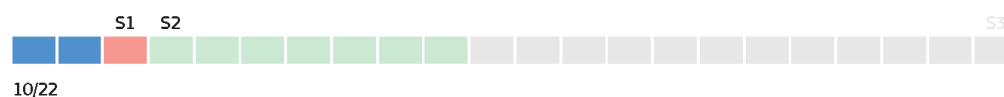
☐ Highly☐ Partly☐ Slightly☐ N/A

Please specify

New sources of income generation

☐ Highly☐ Partly☐ Slightly☐ N/A

Please specify



Social - Job - specific indicators

Step 2

Other employment opportunities

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

16. Please indicate the number of persons employed (provide numbers only):

Long-term jobs created (> 1 year)

Short-term jobs created (< 1 year)

Social - Health & safety

17. Does the activity result in health and safety improvements?

The activity reduces health risks such as diseases and accidents or improvements of health conditions through activities such as construction of a hospital, running a health care centre, preservation of food, reducing healthdamaging air pollutants and indoor smoke. Avoided accidents such as gas explosions or fires from landfills or mines are included as safety benefits.

- ☐ Yes (and I wish to specify)
- ☐ No (the activity has no direct impact)
- ☐ N/A (the question is not relevant)

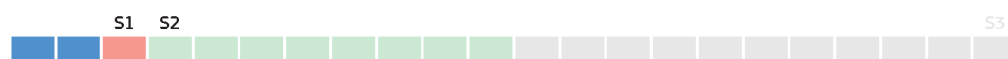
Social - Health & safety - specific indicators

18. How and to what extent does the activity result in health and safety improvements?

Reduction of diseases, disease prevention

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify



Social - Health & safety - specific indicators

Step 2

Reduction of accidents (e.g. fire hazards)

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Reduction of crime

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Preservation of food

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Reducing health damaging indoor air pollution

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

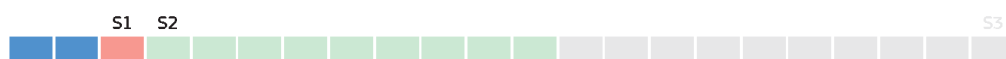
Please specify

Enhancement of health services
(hospitals, doctors, medication etc.)☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Improved sanitation and waste management
(i.e. facilities that offer the possibility of depositing waste
in a sanitary way)☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify



Social - Health & safety - specific indicators

Step 2

Other health and safety improvements

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Social - Education

19. Does the activity facilitate education, dissemination of information, research or increase awareness?

The activity facilitates education, dissemination of information, research and increased awareness related to e.g. waste management, renewable energy resources and climate change through construction of a school, running of education programmes, site visits and tours.

- ☐ Yes (and I wish to specify)
- ☐ No (the activity has no direct impact)
- ☐ N/A (the question is not relevant)

Social - Education - specific indicators

20. How and to what extent does the activity facilitate education, dissemination of information, research or increase awareness?

Job related training (vocational etc.)

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Enhanced educational services
(schools, teachers, affordability, quality etc.)☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify



Social - Education - specific indicators

Step 2

Project related knowledge dissemination
(project related site visits and tours etc.)☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Other educational benefits

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Social - Welfare

21. Does the activity improve the welfare of people?

The activity improves local living and working conditions including community or rural upliftment, reduced traffic congestion, poverty alleviation and income redistribution through e.g. increased municipal revenues.

- ☐ Yes (and I wish to specify)
- ☐ No (the activity has no direct impact)
- ☐ N/A (the question is not relevant)

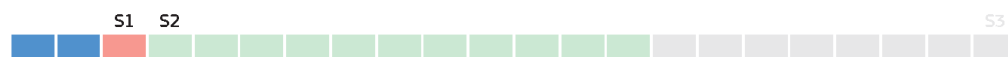
Social - Welfare - specific indicators

22. How and to what extent does the activity improve the welfare of people?

Improvement of working conditions

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify



14/22

Social - Welfare - specific indicators

Step 2

Community or rural upliftment

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Poverty alleviation (more people above poverty level)

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Changes in distribution and/or generation of income and assets

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Increased municipal revenues

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

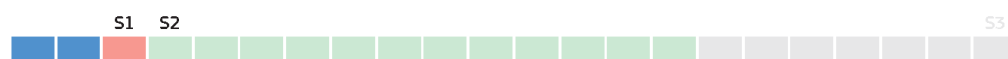
Empowerment of women
(e.g. optimize tasks undertaken by women)☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Reduced traffic congestion

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify



15/22

Social - Welfare - specific indicators

Step 2

Other welfare benefits

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Economic - Growth

23. Does the activity support economic development and/or stability?

The activity contributes to economic development and stability through initiation of e.g. new industrial activities, investments, establishment and maintenance of infrastructure, enhancing productivity, reduction of costs, setting an example for other industries and creation of business opportunities.

- ☐ Yes (and I wish to specify)
- ☐ No (the activity has no direct impact)
- ☐ N/A (the question is not relevant)

Economic - Growth - specific indicators

24. How and to what extent does the activity support economic development and/or stability?

New economic investment as result of the project

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Initiation of new industrial/commercial activities

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify



Economic - Growth - specific indicators

Step 2

Establishment and maintenance of new infrastructure

☐ Highly☐ Partly☐ Slightly☐ N/A

Please specify

Enhancement of productivity of existing production

☐ Highly☐ Partly☐ Slightly☐ N/A

Please specify

Reduction of costs of production or services

☐ Highly☐ Partly☐ Slightly☐ N/A

Please specify

Creation of new business opportunities

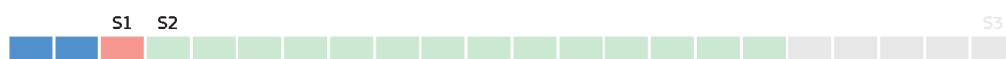
☐ Highly☐ Partly☐ Slightly☐ N/A

Please specify

Other economic benefits

☐ Highly☐ Partly☐ Slightly☐ N/A

Please specify



Economic - Energy - specific indicators

Step 2

25. Does the activity improve energy availability and/or access?

The activity improves access, availability and quality of electricity and heating/cooling services such as coverage and reliability.

- ☐ Yes (and I wish to specify)
- ☐ No (the activity has no direct impact)
- ☐ N/A (the question is not relevant)

Economic - Energy - specific indicators

26. How and to what extent does the activity improve energy availability and/or access?

Improved coverage/availability of supply of energy
(e.g. distribution, hours of the day)

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Improved access to energy (e.g. points of delivery)

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Affordability and/or reliability of energy

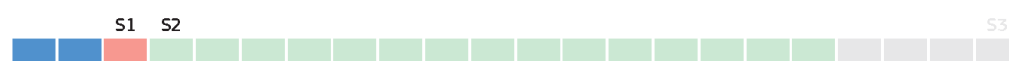
☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Other improvements to energy

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify



Economic - Technology transfer

Step 2

27. Does the activity result in a change in technology?

The activity facilitates transfer of imported technology or diffusion of new local technology. Development of knowhow on how to adapt new technologies to a country/region and innovation of equipment and processes are included as technology transfer benefits.

- ☐ Yes (and I wish to specify)
- ☐ No (the activity has no direct impact)
- ☐ N/A (the question is not relevant)

Economic - Technology transfer - specific indicators

28. How and to what extent does the activity result in a change in technology?

Introduction, development and diffusion
of imported technology

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Introduction, development and diffusion
of new local technology

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Adaptation of new viable technologies to local circumstances

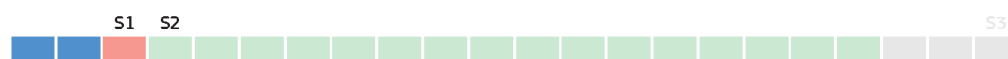
☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Activities that build usable knowhow for a technology

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify



Economic - Technology transfer - specific indicators

Step 2

Other technological benefits

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Economic - Balance of payments

27. Does the activity contribute to improving the country's balance of payments?**The activity contributes to reduction in the use of foreign exchange through a reduction of imported fossil fuels in order to increase national economic independence.**

- ☐ Yes (and I wish to specify)
- ☐ No (the activity has no direct impact)
- ☐ N/A (the question is not relevant)

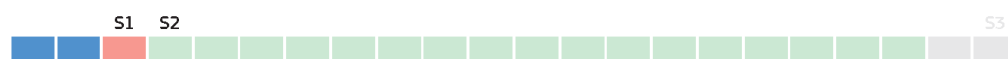
Economic - Balance of payments - specific indicators

30. How and to what extent does the activity contribute to improving the country's balance of payments?Reduction of the dependency on foreign sources of energy ☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

Decrease in risk of political conflicts caused by energy imports ☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify



Economic - Balance of payments - specific indicators

Step 2

Other macroeconomic

benefits

☐ Highly ☐ Partly ☐ Slightly ☐ N/A

Please specify

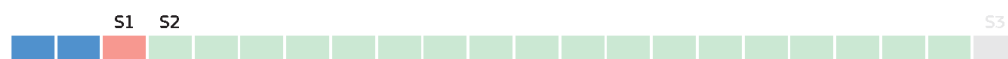
Further information

31. Do you have any further information that highlights the sustainable development co-benefits of the activity?☐ Yes☐ No

If YES, please specify

32. Are you willing to allow or has an independent third party (environmental auditor, voluntary standards organization, designated operational entity etc.) verified any claims made in the SD description you are about to submit?☐ Yes☐ No☐ Decide later

If YES, please specify the name or type of verifying organisation or any other relevant information



Contact information & submission

Step 3

33. Please enter the following contact information:

Title (Ms., Mr., Dr.)	<input type="text"/>
Name	<input type="text"/>
Surname	<input type="text"/>
Organisation	<input type="text"/>
Tel number (incl. country code)	<input type="text"/>
Email address	<input type="text"/>
Affiliation to CDM (e.g. project owner/operator, project developer, project investor, project consultant etc.)	<input type="text"/>

34. Are you the person listed in the latest version of the form Modalities of Communication statement (FCMMOC) for this project?

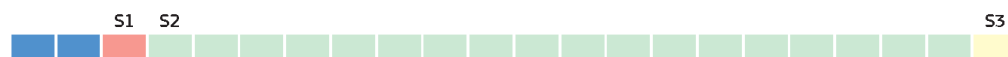
- ☐ Yes
- ☐ No
- ☐ Other

If NO please specify?

Acknowledgements:

The content of the SD tool has been guided by the following sources of information (listed in no particular order), inter alia:

CDM project documentation (all registered projects up to March 2012), IPCC AR5 WG III, AccountAbility (AA1000) Stakeholder Engagement Standard, German International Climate Initiative (ICI), The Gold Standard, The Crown Standard, Forest Stewardship Council (FSC), Roundtable on Sustainable Biofuels (RSB), Climate Community and Biodiversity Alliance (CCBA), EU Compliance report for LoA template, World Commission on Dams (WCD), International Labour Organization (ILO), CDM Watch, World Bank Safeguard Policies, The International Finance Corporation Performance Standards, Hydropower Sustainability Assessment Protocol, Equator Principles, UN Commission on Sustainable Development (CSD), UN Millennium Development Goals (MDGs), UN Global Compact, World Health Organization (WHO), Outcome of the UN Conference on Sustainable Development (Rio+20), public call for inputs (EB68) and peer reviewed literature.



Appendix 2. Example of possible format of SD tool report



United Nations
Framework Convention on
Climate Change

CDM project activity or programme of activities Sustainable Development Description Report

CDM project activity or programme of activities Sustainable Development Description Report

Section 1 - Background Information

Activity information	
Type of CDM activity	Programme of activities
UNFCCC activity reference no.	Not assigned
Title	Rural electrification in Africa
Activity status	Under validation

Description information	
Date of description	4 June 2012
Status of description	First description
Date of previous description	-
Description language (original language)	English
Third party verification (willing)	Yes
Name of third party or comments	All visits are appreciated - we would like to be involved in the communication locally

Contact information	
Title	Managing Director
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Affiliation to CDM	Project developer
Listed in F-CDM-MOC	No



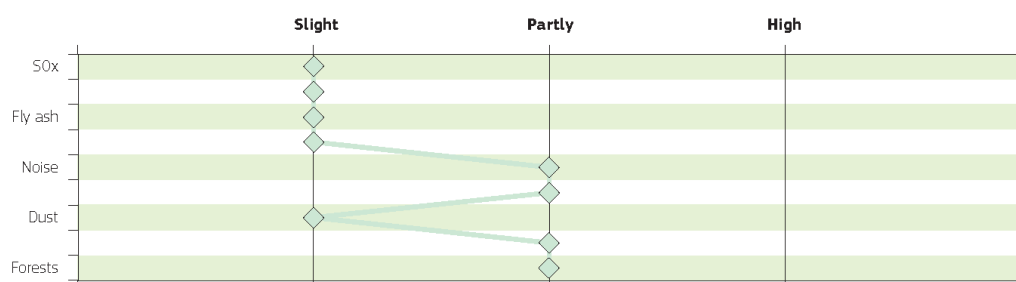
Section 2 - Detailed Description Information

A. Environmental co-benefits

Water and land co-benefits were declared as N/A, which means the criteria are not relevant to the project.

The programme of activities improves air quality in the area through:			
Criteria	Indicators	Specification	Extent
Air	SOx	limited	Slight
	NOx	limited	Slight
	Fly ash	limited	Slight
	Suspended Particulate Matter (SPM)	limited	Slight
	Noise	substituting diesel generators	Partly
	Odours	substituting kerosene lamps	Partly
	Dust	limited, but some dust from wood waste will be reduced	Slightly
	Other air based improvements	Indoor air improved as no kerosene and paraffin lamps	Partly
The programme of activities protects or enhance depletable natural resources:			
Natural resources	Forests	Controlled use of several types of renewable energy resources. Less forest will be cut down	Partly

The extent of the environmental co-benefits:



The following indicators were not applicable to the activity: Reducing level/frequency/time of NMVOCs (Non Methane Volatile Organic Compounds), Mineral resources, Plant life and Species diversity.



B. Social co-benefits

All social co-benefits were declared as relevant and no additional benefits were raised.

The programme of activities creates new jobs, through:			
	Indicator	Specification	Extent
Employment	New long-term jobs	New long term job positions in the investment project, as well as in the maintenance and administration of the project in the long term Number of new long-term jobs created: 20	Slight
	New short-term jobs	Temporary jobs in the construction phase Number of new short-term jobs created: 40	Slight
	Income generation	Provided more stable energy supply, there will be new opportunities for shops and factories	High
	Other employment opportunities	High	Slight
The programme of activities results in health and safety improvements, through:			
Health and safety	Disease prevention	Improved health facilities	High
	Reduction of accidents	Light will also be available during night hours, which will reduce the number of accidents	High
	Reduction of crime	Lighting in the area (for instance in market place) will help to reduce the occurrence of crime	High
	Preservation of food	Better preservation of food, including access to refrigerators at household level, as well as cooling facilities at factories	High
	Reducing health damaging pollution	Changing the lights from kerosene lamps to CFL/LED light bulbs	High
	Health services	Better electricity provision at health centers and dispensaries will make significant contribution to improved health care	High
The programme of activities facilitates education, dissemination of information, research or increase awareness, through:			
Education	Job training	Job related training will be an integrated part of the project	High
	Enhanced educational services	Project will provide improved possibilities for education and training	Partly
	Knowledge dissemination	Already several visits/training are done during the preparation phase. Dissemination of knowledge regarding the electricity systems, administrative systems and payment systems	High
	Other educational benefits	Access to electricity will increase the possibilities of using media such as TV, radio, mobiles, which will improve access to information and knowledge	High
The programme of activities improves the welfare of people, through:			
Welfare	Improved working conditions	Working conditions in less polluted environment	High
	Community or rural upliftment	The project will focus on securing sustainable development in the rural areas	High
	Poverty alleviation	The project will focus on securing sustainable development in the rural areas, through access to clean energy and creating new jobs that will help to alleviate poverty	High
	Income and assets changes	The electricity generation will create new frame for income generation	High
	Increased municipal revenues	Since project is focused on local development, it will deliver increased municipal revenues	Slight
	Women empowerment	It is a priority to include women in the decision-making process of the project	High
	Other welfare benefits	The project will in general deliver an increased living standard, especially for women and children	High



The extent of the social co-benefits:



The following indicators were not applicable to the activity: Sanitation and waste management.



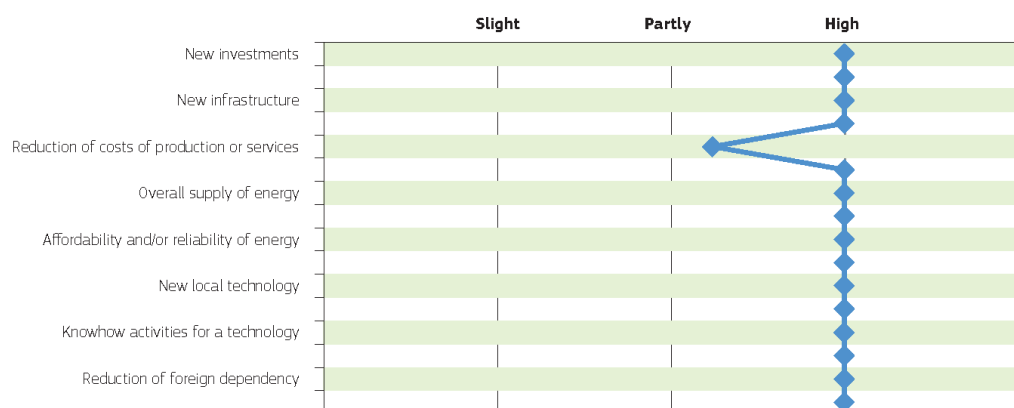
C. Economic co-benefits

All available economic co-benefits were declared, and no additional benefits were raised.

The programme of activities supports economic development and/or stability, through:			
	Indicator	Specification	Extent
Growth	New investments	<i>Investment in the project</i>	High
	New industrial/commercial activities	<i>With stable energy supply provided, new investments can be initiated, but conditioned by the interest and possibilities of the private sector</i>	High
	New infrastructure	<i>Establishment and maintenance of new energy infrastructure will be an integrated part of the project</i>	High
	Enhancement of productivity	<i>The access to cleaner and more reliable energy supply will help to enhance the productivity of the existing production facilities</i>	High
	Reduction of costs of production or services	<i>The energy costs might be decreased for some households and businesses, depending on the starting situation</i>	Partly
	New business opportunities	<i>A significant number of new commercial activities is expected to improved availability of electricity supply</i>	High
The programme of activities improves energy availability and/or access, through:			
Energy access	Overall supply of energy	<i>Improved coverage and availability will be secured through the establishment of the project</i>	High
	Access to energy	<i>Improved access will be secured through the establishment of the project</i>	High
	Affordability and/or reliability of energy	<i>A more stable energy supply system will be constructed. The affordability will increase over time.</i>	High
The programme of activities results in a change in technology, through:			
Technology transfer	New imported technology	<i>The solar technology will be imported. Also consumer goods imported as a consequence of the project - for instance CFL/LED bulbs.</i>	High
	New local technology	<i>It is expected that part of the needed equipment will be produced in Malawi</i>	High
	Adaptation of new technologies to local circumstances	<i>Project intends to adapt part of the technologies to local circumstances, mainly to ensure easy maintenance</i>	High
	Knowhow activities for a technology		High
The programme of activities contributes to improving the country's balance of payments, through:			
Balance of payments	Other technological benefits	<i>The rural community could be partial owners of the new renewable energy facilities</i>	High
	Reduction of foreign dependency	<i>Increased energy production in the country based on locally available renewable energy</i>	High
	Decrease in risk of political conflicts	<i>Increased energy production in the country based on locally available renewable energy</i>	High



The extent of the economic co-benefits:



All indicators are applicable to the activity.

D. Further information